

MINUTES

MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By **CHAIRMAN BILL GLASER**, on January 20, 2003 at 3:00 P.M., in Room 317-C Capitol.

ROLL CALL

Members Present:

Sen. Bill Glaser, Chairman (R)
Sen. Bob Story Jr., Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. Edward Butcher (R)
Sen. Mike Cooney (D)
Sen. Jim Elliott (D)
Sen. Royal Johnson (R)
Sen. Jeff Mangan (D)
Sen. Don Ryan (D)
Sen. Tom Zook (R)

Members Excused: None.

Members Absent: None.

Staff Present: Tari Elam, Committee Secretary
Connie Erickson, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: SB 120, 1/13/2003; SB 174,
1/13/2003; SB 183, 1/13/2003; SB
196, 1/13/2003

Executive Action:

HEARING ON SB 174

Sponsor: SENATOR VICKI COCCHIARELLA

Proponents: Sarah Cobler, Associated Students University
of Montana
Will Hammerquist, Associated Students Montana
State University

Opponents: NONE

Informational Witnesses: Rod Sundsted, Associate Commissioner for
Fiscal Affairs, Montana University
System

Opening Statement by Sponsor:

{Tape: 1; Side: A; Approx. Time Counter: 1.2 - 5.5}

SENATOR VICKI COCCHIARELLA, SD 32, Missoula, explained this bill provides an opportunity for Montana's university students to serve in the capacity of legislative intern by granting them a waiver of tuition and fees. **SEN. COCCHIARELLA** stated many students who are accepted into the internship program are unable to accept the opportunity because they discover the costs of paying fees while living in the Capitol during the session are too high. She indicated there is no provision at present which will allow the legislature to provide financial assistance to interns. **SEN. COCCHIARELLA** also conveyed her discomfort in asking the Universities to accept the loss in revenue given the present economic climate. This being so, **SEN. COCCHIARELLA** respectfully requested the Committee delay its decision on the bill until she is able to identify alternative funding.

Proponents' Testimony:

{Tape: 1; Side: A; Approx. Time Counter: 5.8 - 9.8}

Sarah Cobler, Associated Students, University of Montana, testified her organization is in support of this bill because it provides educational opportunities, while at the same time meeting a need for legislative interns. Students in her organization believe an opportunity to serve as a legislative intern is very important and beneficial.

Will Hammerquist, Associated Students, Montana State University, Bozeman, testified his organization is in support of this legislation because they believe a true understanding of the legislative process is important to any academic program. Improving access by providing an economic means for students is beneficial not only to the student, but to the state in general. Although there is a cost to the University, there are only six positions available. **Mr. Hammerquist** does not believe this cost is unreasonable for the Universities considering the number of fee waivers provided to students in athletics departments. He also provided testimony on the average per capita costs of education **EXHIBIT**(eds11a01).

Informational Witnesses' Testimony:

{Tape: 1; Side: A; Approx. Time Counter: 10 - 10.6}

Rod Sundsted, Associate Commissioner for Fiscal Affairs, Montana University System, testified his organization supports the concept of the bill, however, they would like to have the bill reconsidered once alternative funding is identified.

Questions from Committee Members and Responses:

{Tape: 1; Side: A; Approx. Time Counter: 10.8 - 28}

SENATOR JEFF MANGAN inquired whether participating students receive academic credits for participating in the program. **SEN. COCCHIARELLA** responded in the affirmative.

SENATOR JIM ELLIOTT inquired whether **Mr. Hammerquist's** per capita costs were for a single semester. **Mr. Hammerquist** responded the figures provided were based on an annual assessment. **SEN. ELLIOTT** then inquired whether, given the increases in tuition and fees, **Mr. Hammerquist** believes the acquisition of a quality education is more difficult for low income, middle-class students. **Mr. Hammerquist** replied in the affirmative. **Mr. Hammerquist** referred to an annual report entitled "Measuring Up" that compares different aspects of higher education, citing Montana's score on affordability.

Noting the importance of education to long-term stability, **SEN. ELLIOTT** then inquired how **Mr. Hammerquist** sees this legislation as affording Montana citizens better access. **Mr. Hammerquist** responded the legislation does assist either the student directly or their families who provide them with assistance. As another example, **Mr. Hammerquist** noted the requirement of health insurance for all students attending Montana universities. If a

student is not already covered, this mandate too increases the total cost. **Mr. Hammerquist** believes these ever increasing costs are leading to diminishing returns on investment dollars placed in education as more and more Montanans leave the state for their education and do not return because of employment considerations.

SENATOR MIKE COONEY inquired whether all waivers presently in existence have a particular source of revenue. **Mr. Sundsted** replied in the affirmative. He expanded noting that state funding is decreasing and the relevant losses are borne by students.

SENATOR BOB STORY requested **Mr. Sundsted** provide the Committee with the total number of people who are presently receiving waivers. **Mr. Sundsted** indicated he would do so.

SEN. STORY sought clarification from **SEN. COCCHIARELLA** regarding her request for a delay in the Committee's decision to allow her to identify alternative funding. Stating the title of the bill is fairly narrow, **SEN. STORY** inquired how she might be able to accomplish this with the present bill. **SEN. COCCHIARELLA** responded, noting while **SEN. STORY's** assertion is correct, it may be possible to add the waiver to the list while at the same time providing alternative funding. **SEN. COCCHIARELLA** also stated an amendment may be necessary wherein it is stipulated "funded by this specific source."

SENATOR EDWARD BUTCHER asked that **Mr. Sundsted**, in addition to the information requested by **SEN. STORY**, provide the Committee with the total costs associated with all fee waivers. **Mr. Sundsted** indicated he would do so.

Mr. Sundsted requested the Committee give consideration to the reality of fee waivers: they amount to forgone revenue. While a student may be offered a fee waiver, they may not accept the offer. **SEN. BUTCHER** asked **Mr. Sundsted** to clarify his statement regarding the waivers not having a cost to the university. **Mr. Sundsted** explained the cost of educating the student exists even in the absence of a fee waiver. **Mr. Sundsted** believes students probably would not come to Montana if fee waivers were not offered, thus other revenue generated by a student's enrollment are foregone. **SEN. BUTCHER** expressed his understanding of funding to the university system as arising from tax dollars, asking **Mr. Sundsted** if in fact taxpayers are paying for the fee waivers. **Mr. Sundsted** stated the university system does not receive dollars for out-of-state students, only in-state. For those in-state students who receive fee waivers, the university receives about \$1,900.00 from the state.

SENATOR TOM ZOOK stated he understands the number of students enrolling in the university system is increasing, asking **Mr. Hammerquist** how he reached the opposite conclusion. **Mr. Hammerquist** stated **SEN. ZOOK's** understanding is correct for this academic year, however, his figures arise from a U.S.A. Today article which indicated an increasing trend throughout much of the country with regard to high school graduates. Montana is not following that trend. In fact, Montana is one of the few states with declining numbers of high school graduates. Therefore, **Mr. Hammerquist** believes there will be a consistent decline in enrollment in the next ten years. **SEN. ZOOK** inquired whether **Mr. Hammerquist** compiled the affordability issue on the graph he provided to the Committee. **Mr. Hammerquist** responded in the affirmative. He stated the data came from the U.S. Census Bureau and Montana State University, Bozeman. **SEN. ZOOK** asked whether **Mr. Hammerquist** is familiar with U.S. News and their report which indicates Montana Universities are high quality and affordable. **Mr. Hammerquist** replied in the affirmative, but noted there is always room for improvement.

SENATOR JIM ELLIOTT inquired whether stipends are offered by the university system to out-of-state students. **Mr. Sundsted** indicated the university system provides only fee waivers; some of the booster clubs, however, provide other forms of funding.

Closing by Sponsor:

{Tape: 1; Side: A; Approx. Time Counter: 28.1 - 29.2}

SEN. COCCHIARELLA noted her surprise at the number of persons interested in the bill. She asked that the Committee remember no fee waiver is granted by the university system without a legislative grant of approval. She believes this is an important issue, and requests the members withhold consideration until she is able to locate alternative funding.

HEARING ON SB 196

Sponsor: **SENATOR SAM KITZENBERG**

Proponents: **Carl M. Somers, Principal, Glasgow High School, in absentia**
Lance Melton, Montana School Boards Association (MTSBA)
Dave Puyear, Montana Rural Education Association (MREA)

Opponents: Senator Jeff Mangan, on behalf of himself
 Glen Welch, Montana Juvenile Probation
 Officers' Association, in absentia
 Chief Troy McKee, Montana Association of
 Chiefs of Police, in absentia
 Officer Jerry Williams, Montana Police
 Protection Association, in absentia

Opening Statement by Sponsor:

{Tape: 1; Side: A; Approx. Time Counter: 30.2 - 31.7}

{Tape: 1; Side: B; Approx. Time Counter: 1.2 - 2.5}

SENATOR SAM KITZENBERG, SD 48, Valley, Daniels, and Phillips Counties, stated he brought this bill forward at the behest of his local high school principal **EXHIBIT**(eds11a02). Its' purpose is to require notification of schools, as delineated in Section 41-5-215, MCA, to occur within 2 days. **SEN. KITZENBERG** believes the bill is necessary to reduce or eliminate the problems associated with lack of communication. He notes there have been incidences of compliance occurring after the academic year and incidences of noncompliance with the present statute. **SEN. KITZENBERG** notes South Dakota presently allows for notification of the type requested in the bill. He also notes there may be some concerns about due process but trusts those concerns can be addressed.

Proponents' Testimony:

{Tape: 1; Side: B; Approx. Time Counter: 2.7 - 6.4}

Lance Melton, MTSBA, conveyed his organization's support of the bill and its' proposed amendments. He explained acquisition of information by schools is far too difficult and restrictive. In order for schools to effectively protect their students from the influence of students participating in illegal behaviors they should have access to relevant information in a timely manner. **Mr. Melton** believes the safeguards provided in Title 20 to students prior to expulsion are sufficient to protect against due process violations.

Dave Puyear, MREA, explained his organization is in support of this legislation because, as rural educators, many of his members realize there is a lack of centralized communication. He noted that all too often rumors abound which provide pieces of information that should invoke concern, but upon which the schools cannot act. **Mr. Puyear** explained larger districts may

have intervention teams capable of dealing with these types of issues, however, the rural districts generally do not.

Opponents' Testimony:

{Tape: 1; Side: B; Approx. Time Counter: 6.5 - 11.3}

SENATOR JEFF MANGAN, resident of Great Falls, on behalf of himself, explained, as an individual who works with at-risk-youth and juvenile offenders, he has numerous concerns regarding the proposed legislation. **SEN. MANGAN** also noted proponents who spoke in favor of the bill may not have noticed the significant changes made by the amendment. The amendment, in essence, requires any law enforcement agency to notify a school in the event a citation is issued, regardless of offense; the prior exception of status offenses has been removed. The bill now requires notice to be given before any type of hearing has been conducted. The minor will not have been formally charged, will not have had the opportunity to speak to those charges, and before any evidence which may exonerate the youth can be provided. The law currently requires each of those components be met before a school may be notified in order to protect individual rights of due process. **SEN. MANGAN** noted, while the intention of the legislation may be admirable, this type of legislation provides an opportunity to violate due process which may very well be a slippery slope toward its demise. He also noted law enforcement agencies have not been apprised of this legislation and believes they would be in opposition had they been. He requested the Committee consider the implications carefully before rendering a decision.

Glen Welch, Montana Juvenile Probation Officers' Association, in absentia, submitted written testimony **EXHIBIT(eds11a03)**.

Chief Troy McKee, Montana Association of Chiefs of Police, and Officer Jerry Williams, Montana Police Protection Association, in absentia, submitted written testimony **LATE EXHIBIT(eds11a04)**.

Questions from Committee Members and Responses:

{Tape: 1; Side: B; Approx. Time Counter: 11.5 - 20}

SEN. BUTCHER expressed his appreciation for **SEN. MANGAN's** concerns, noting, however, employees are often suspended for drug and alcohol violations. He inquired whether **SEN. MANGAN** thought a student should be allowed to continue in extracurricular activities in the event they are caught, and, additionally, why shouldn't the schools be advised of potentially dangerous behavior. **SEN. MANGAN** responded by explaining he has spent the

last four years working toward a better system of notification and he believes those efforts have been successful. This bill is a radical departure from those efforts implemented to protect both an individual student's rights and the school environment generally. **SEN. MANGAN** does not see how an over-correction to the original problem of no information can be addressed by eliminating the efforts which provide for notification in a manner respectful of constitutionally protected rights. **SEN. MANGAN** reiterated his early thoughts regarding law enforcement, emphasizing the significant burden this will place on their resources.

SEN. STORY inquired whether **Mr. Melton** is in support of both the bill and the amendment. **Mr. Melton** stated his organization is in support of both. **SEN. STORY** then asked whether the Title 20 language to which **Mr. Melton** referred applied to students applying to attend, as well as those already enrolled. **Mr. Melton** indicated 20-5-201 and 20-5-202, MCA, apply to both categories of students.

SEN. ELLIOTT, referring to the third paragraph of Principal Somers letter (see EXHIBIT 2), asked **Mr. Puyear** whether it is the purpose of schools to ensure a student's enrollment into intervention programs. **Mr. Puyear** replied he believes it is one of their purposes at this point in time. **Mr. Puyear** also noted he does not believe the present system is working. He stated unless a school has a resource officer (noting, only seven school districts in Montana presently have a person in this position) the system may be working well, however, for the rest of the districts the lack of information is truly problematic. Regardless of who or what is the cause, the child needs to be placed in some type of intervention program so as to possibly provide them with the ability to make better choices.

SEN. ELLIOTT then asked **Mr. Puyear** to assume a kegger party has taken place at which a number of students are in attendance. The police are called and issue citations to some students but not all; yet, each were a part of the activity. **SEN. ELLIOTT** asked **Mr. Puyear** wherein lies the justice in this scenario. **Mr. Puyear** acknowledged that some injustice may result, however, at the present time school administrators know absolutely nothing. They have no idea what has or has not occurred and there is little if any assistance from law enforcement. **Mr. Puyear** believes a mechanism such as the one contained in this bill is necessary.

SEN. ELLIOTT continued with the same party scenario, however this time one student is simply in the vicinity and not involved in the activities in any manner. This student, together with a student actually a participant, are cited. Both go to court, one

is exonerated, the other is not, but the school treats both the same due to citations being issued. **Mr. Puyear** stated while both may be suspended initially, as the school's investigation continues things get sorted out. **Mr. Puyear** indicated school offices are frequently inundated with calls demanding some action be taken, and no one knows anything about the particular event. **SEN. ELLIOTT** posed a final question regarding the posting of bail, to which **Mr. Puyear** responded in the negative.

SEN. COONEY noted the amendments drastically change the originally proposed bill, asking **SEN. KITZENBERG** why he amended the bill in the manner he did. **SEN. KITZENBERG** indicated he and Mr. Somers felt the original was still flawed and needed something with more immediacy. While **SEN. KITZENBERG** appreciates **SEN. MANGAN's** concerns, he sees the problem as being one of necessity. At present, schools are being left out of the communication loop. He believes the amendment can be changed so as to incorporate various concerns. **SEN. COONEY** then inquired whether **SEN. KITZENBERG** had read the letter written by **Glen Welch** of the **Montana Juvenile Probation Officers' Association** (see EXHIBIT 3). **SEN. KITZENBERG** replied in the negative. **SEN. COONEY** noted the letter indicates "juveniles presenting a clear and present danger to the community are often detained in a detention center and are unable to attend school," but in the event they are released all efforts are made to notify the school as quickly as possible. He asked **SEN. KITZENBERG** exactly who this legislation is targeted toward: status offenders, MIPs, or violent offenders. **SEN. KITZENBERG** explained his original motivation was in response to Principal Somers request, which may have resulted in further reaching implications than he intended. Regardless, however, he believes the legislation is necessary to close the gap in communication

Closing by Sponsor:

SEN. KITZENBERG closed discussion on the bill without further comment.

HEARING ON SB 183

Sponsor: **SENATOR JOHN BOHLINGER**

Proponents: **Scott Chrichton, Executive Director, American Civil Liberties Union (ACLU), Montana**
Ali Bovington, Assistant Attorney General, Attorney General's Office, Montana
Sarah Cobler, Associated Students, University

of Montana
Lani Candlora, Montana Catholic Conferences
Will Hammerquist, Associated Students,
Montana State University

Opponents: **NONE**

Informational Witnesses: **NONE**

Opening Statement by Sponsor:

{Tape: 1; Side: B; Approx. Time Counter: 26.4 - 31.8}

SENATOR JOHN BOHLINGER, SD 7, Billings, stated he read a newspaper article last October indicating **Jimmy Ray Bromgard** had been released from the Montana State Prison after serving fifteen of a forty year sentence for the rape of an eight year old girl. Post-conviction DNA testing exonerated **Mr. Bromgard**; testing not available at the time of his trial. **SEN. BOHLINGER** explained the present bill provides for tuition, fees, books, board and room at any Montana educational institution, for any person exonerated by post-conviction DNA testing who has served time in prison. He believes providing such an individual with employable skills through education is an appropriate response by the state. **SEN. BOHLINGER** also explained his own thoughts on being deprived of one's liberties--including associations with family and friends--while knowing one is innocent. He noted, although we cannot give back what has been taken by being falsely accused, we can lend to some sense of justice being returned.

Proponents' Testimony:

{Tape: 2; Side: A; Approx. Time Counter: 0 - 5.3}

Scott Chrichton, Executive Director, American Civil Liberties Union, Montana, indicated his organization's support for the bill. He also described his own experience with **Mr. Bromgard** upon his release, stating it was very enlightening to find an individual so upbeat after having been wrongfully convicted. **Mr. Chrichton** believes the present legislation is an appropriate response by the leaders of Montana that will convey our awareness of the ever present weaknesses in the system.

Ali Bovington, Assistant Attorney General, Attorney General, State of Montana, stated the Attorney General's Office is in support of this bill as an indication of fundamental fairness.

Sarah Cobler, Associated Students, University of Montana, stated her organization is in support of this bill and others of a similar nature. **Ms. Cobler** stated this bill increases access to those individuals who are not often thought of as traditional students. Further, while **Ms. Cobler** stated she cannot speak for all students, personally she would not mind her tuition being increased by two dollars to pay for this type of legislation.

Lani Candlora, Montana Catholic Conference, stated her organization is in support of this bill despite full awareness of the present fiscal crisis. **Ms. Candlora** indicated the bill combines justice, fairness, and equity in an effort to address the real possibility of someone being wrongfully convicted. She believes this bill is the least we can do as a society to aid someone's transition back into the mainstream.

Will Hammerquist, Associated Students, Montana State University, stated his organization supports **SEN. BOHLINGER's** bill as a fair and just proposal.

Questions from Committee Members and Responses:

{Tape: 2; Side: A; Approx. Time Counter: 5.5 - 13.7}

SEN. BUTCHER, indicated while he has no opposition to the proposal he would like to know why the bill is limited solely to exoneration by DNA testing. He asked **Mr. Chrichton** whether he would like to either comment on or explain this limitation. **Mr. Chrichton** responded by explaining his presence at the hearing is solely in support in the abstract. He also discussed his own experiences with regard to DNA testing and the collection of that information by law enforcement. With specific regard to the bill's limitation, he would prefer **SEN. BOHLINGER** speak to the question.

SENATOR DON RYAN inquired of **SEN. BOHLINGER** whether the reason this bill is directed so narrowly is so as to insure relief for this particular individual. **SEN. BOHLINGER** explained his intent was to provide benefits for someone who is truly innocent; DNA testing provides that type of proof. He also explained as a fiscally conservative individual, he does not believe we should spend money needlessly. By limiting the focus in this manner, there is no opportunity for abuse.

SEN. ELLIOTT expressed his appreciation to **SEN. BOHLINGER** for bringing the bill forward as a matter of conscience.

Closing by Sponsor:

{Tape: 2; Side: A; Approx. Time Counter: 13.8 - 16.5}

SEN. BOHLINGER expressed his appreciation for those who stood in support of this bill, noting with particularity many of the comments made by the proponents. **SEN. BOHLINGER** also provided the Committee with a copy of a newspaper article written at the time of **Mr. Bromgard's** release **EXHIBIT(eds11a05)**.

HEARING ON SB 120

Sponsor: **SENATOR BILL GLASER**

Proponents: **Don Waldron, self**
Dave Puyear, Montana Rural Education Association (MREA)
Lance Melton, Montana School Boards Association (MTSBA)

Opponents: **Eric Feaver, MEA-MFT**
Larry Nielsen, Helena Education Association (HEA)

Informational Witnesses: **David Senn, Executive Director, Teachers' Retirement Board**

Opening Statement by Sponsor:

{Tape: 2; Side: A; Approx. Time Counter: 16.8 - 22.3}

SENATOR BILL GLASER, SD 8, Yellowstone County, brought forward a bill authorizing a Board of Trustees or Joint Board of Trustees to contract with an agency who employs retired education personnel for the provision of teaching, specialist, superintendent, or other required personnel, services. **SEN. GLASER** noted he brings this bill at the request and suggestion of **Mr. Don Waldron** a gentleman who sees a need in many of the rural schools in Montana for temporary personnel who have experience which may not otherwise be available. **SEN. GLASER** indicated, given the present language of the bill, there may be some costs to the teachers' retirement system and some issues arising from the collective bargaining process. He does not, however, think these issues are insurmountable. He believes the vast experience held by retirees should be utilized for the benefit of the education system in Montana as a supplement to that which is presently available.

Proponents' Testimony:

{Tape: 2; Side: A; Approx. Time Counter: 22.4 - 31.6}

{Tape: 2; Side: B; Approx. Time Counter: 1.0 - 11.7}

Don Waldron, self, submitted written testimony **EXHIBIT(eds11a06)**. **Mr. Waldron** also provided the Committee with additional information to consider in their deliberations **EXHIBIT(eds11a07)**.

Dave Puyear, MREA, stated his organization is in strong support of this measure. **Mr. Puyear** explained how present shortages in teaching, administrative, and certified personnel, are challenging schools to achieve absolute efficiency with each education dollar; this measure goes directly to the heart of the matter. He thinks many of the bills coming forward during this session are not as friendly to present needs of educators as this measure, and believes this body may have to seek numerous alternative ideas in order to meet various demands. **Mr. Puyear** also noted the bill addresses the accreditation standards established in the state; something not addressed by other bills.

Lance Melton, MTSBA, expressed his organization's support of **SB 120**. **Mr. Melton** explained his organization recently passed a resolution to support any efforts which provide positive incentives for people who retire to stay in Montana. Many of these people, at the peak of their careers, retire and move to another state to teach or provide administrative services. **Mr. Melton** indicated his organization does not support unfunded mandates, and believes any concerns with this bill might be addressed by having a limited waiting period or by placing a cap on the program until a "pilot" has been completed. With regard to the collective bargaining process, **Mr. Melton** suggested the inclusion of language which stipulates any agreement is subject to the bargaining process. He then expressed concern over the gap between requirements for receiving retirement benefits and the accreditation requirements. At present, a retired person may not receive benefits if they are working more than one-third time, but accreditation standards require teaching or administrative positions be either half-time or full-time; in essence, requiring an individual work half or full-time at one-third pay. **Mr. Melton** believes this concern too can be addressed in a fairly simple manner.

Loren Frazier, self, supports the bill because it addresses the dual concerns of retention and recruitment. **Mr. Frazier** indicated other states are very successful with these measures, including their ability to attract some of the best and brightest away from Montana. He also reiterated the testimony provided by

Mr. Melton with regard to one-third salary caps and the needs of the districts.

Opponents' Testimony:

{Tape: 2; Side: B; Approx. Time Counter: 11.8 - 20}

Eric Feaver, MEA-MFT, conveyed his organization is in opposition to this bill. **Mr. Feaver** noted the fiscal note indicates an actuarial study would be necessary in order to adequately evaluate the costs of this proposal. He also noted an IRS private letter on its' interpretation of the impact of this proposal is necessary. He voiced his concerns on the impact of people working under this legislation while contributing nothing to the retirement system. **Mr. Feaver** is gravely concerned by the potential impact of this proposal on the collective bargaining process. He believes many other bills being proposed this session will address the concerns of retention and recruitment in a more positive manner.

Larry Nielsen, HEA, testified he has just finished his eighteenth year in the classroom educating the children of Montana. He is concerned the proposal not only opens the door for retired persons, but for anyone who might want to take advantage of the opportunity. He believes schools will use this to hire people at a cheaper salary than would normally be paid, necessarily resulting in a compromise of education quality. **Mr. Nielsen** is also concerned by the potential impact of this bill on the retirement system. He urged the Committee not pass this proposal.

Informational Testimony:

{Tape: 2; Side: B; Approx. Time Counter: 20.2 - 27.0}

David Senn, Executive Director, Teachers' Retirement Board, submitted written testimony **EXHIBIT**(eds11a08).

Questions from Committee Members and Responses:

{Tape: 2; Side: B; Approx. Time Counter: 27.2 - 31.}

SEN. BUTCHER asked **Mr. Waldron** if the concerns raised by the fiscal note regarding contributions by formerly retired persons could be remedied by simply changing the requirement. **Mr. Waldron** indicated the nature of retirement from the present system is such that continued contributions would not be possible. **SEN. BUTCHER** explained in order to make this more viable, a change to the present statute may be necessary. He

thinks a person working under these conditions should at least be required to pay the employee portion of the retirement. He believes an answer of this sort may cure the fiscal note. **Mr. Waldron** indicated he is not opposed to such a change should it be necessary.

Closing by Sponsor:

{Tape: 3; Side: A; Approx. Time Counter: 0.2 - 3.0}

SEN. GLASER expressed his appreciation for the various individuals who contributed to today's debate. In the end, he believes it will be necessary to decide whether the benefits of having a wealth of education knowledge available to schools outweighs the potential risks or costs to the retirement system.

SEN. GLASER indicated there are inherent risks to the retirement system at present; as an investment program, the system had suffered extensive losses in connection with fluctuations in the market.

CHAIRMAN GLASER informed the Committee that Executive Action will be taken on Wednesday on several bills. He explained he will provide each member with a composite list of the thirteen bills which require action prior to the meeting so as to make the process go as smoothly as possible.

ADJOURNMENT

Adjournment: 5:30 P.M.

SEN. BILL GLASER, Chairman

TARI ELAM, Secretary

BG/TE

EXHIBIT (eds11aad)